



AUDIT SERVICES REPORT

THE OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR SUFFOLK

RISK MANAGEMENT

Lead Auditor: Trudy Kester
Date of Audit: 7/1/2014
Audit Reference: F011992/005



EXECUTIVE SUMMARY

In previous years, Suffolk Police Authority and Suffolk Constabulary jointly owned a Risk Management Strategy, and Audit Services assessed compliance against this strategy both within the Constabulary and the Authority. Due to the transition from a Police Authority to a Police Crime Commissioner (PCC), a new Risk Management Strategy for the Suffolk PCC was adopted in March 2013.

This audit has reviewed compliance against the Suffolk PCC Risk Management Strategy and can confirm that it is being complied with to a material extent. Therefore, an audit opinion of 'effective' has been given. However, it should be noted that although the PCC had approved the PCC's Risk Register published in February 2013, there was no evidence that the subsequent risk register published in September 2013 had been actively reviewed by the PCC. A recommendation for this has been included within the Action Plan part of this report.

Due to the collaboration with Norfolk Constabulary, a new Joint Risk Management Strategy (2013/15) and supporting guidance has been produced. A new template for Constabulary Risk Registers was also introduced in October 2013. However, due to the fact that the new strategy and risk registers have only been in place for a few months, and the collaborative changes in staffing structures which have impacted on the management of risk management, it was agreed with the T/ACC for Strategic Change that it would not be of use or value to carry out a full audit into Suffolk Constabulary's Risk Management at this time. Therefore, it has been agreed with the T/ACC for Strategic Change that it would be of more value to undertake a full audit later in 2014 to obtain assurance as to whether the changes in risk management have been embedded and that the new process is working as expected.

Taking this into account, no audit opinion has been given for the Constabulary's Risk Management. However, Audit Services did undertake a review of the new risk management guidance, and observations were sent to the Joint Risk Manager for his consideration. It was found during this review that the new Strategy has not yet been fully rolled out within Suffolk Constabulary, and a recommendation regarding this has been included within the Action Plan part of this report.

Background

This audit is carried out in accordance with the 2013/14 internal audit plan agreed by the Audit Committee in March 2013.

The PCC received and adopted the new PCC Risk Management Strategy and Risk Register on 1 March 2013, and the Audit Committee approved these documents on 25 March 2013.

Objectives & Scope of Review

1. To ensure there is a robust risk management approach which has been developed and applied across the Suffolk PCC and Suffolk Constabulary to identify, assess, take action, review and report on opportunities and threats (risks) that affect the achievement of the organisation's objectives.

2. To assess compliance with the PCC Risk Management Strategy. Audit testing confirmed that:
 - The PCC has approved the PCC Risk Management Strategy;
 - The PCC regularly receives a report on Suffolk Constabulary's Strategic Risk Register (at the Accountability and Performance Panel meetings);
 - PCC and Constabulary contracts include a clause which makes service deliverers aware of their responsibility for risk management and the process to be taken if risks are identified;
 - Submissions for Decision by the PCC include an assessment of risks where applicable;
 - Audit Committee has been made aware of the risk management arrangements by approving the PCC Risk Management Strategy and the Annual Governance Statements, and were made aware of the outcome from the previous audit.

3. During the scoping of this audit, it was agreed that it was not the best time to carry out a full audit of Suffolk Constabulary's Risk Management procedures due to collaboration changes and the recent introduction of guidance and documentation. However, Audit Services did undertake a review of the new guidance, and the observations have been sent to the Joint Risk Manager for his consideration.

Audit Opinions and Action Plan

The following table defines the areas examined in the course of the audit and opinions on how these are being controlled. The detailed action plan including findings, recommendations and management actions should be used by management to improve the system controls.

SUBJECT AREA	OPINION
OVERALL	EFFECTIVE
Compliance with PCC Risk Management Strategy Suffolk Constabulary Risk Management	Effective No opinion given (L)

Audit Opinion Definitions

- High Standard** *There is a sound system of control designed to achieve the system objectives and manage the risks to achieving those objectives*
- Effective** *Whilst there is basically a sound system of control, there are some weaknesses, which put some of the system objectives at risk*
- Ineffective** *There are weaknesses in key areas in the systems of control, which put the systems objectives at risk*
- Poor** *Control is generally weak, leaving the system open to significant error or abuse*

Opinion Key

(L) Limited Testing

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ACTION PLAN

Suffolk PCC Risk Management Review

Action Ref	Finding	Recommendation	Risk	Priority	Management Comment	Action Owner	Target Date
A4783	<p>The PCC received and adopted the PCC Risk Management Strategy and Risk Register on 1 March 2013. A further risk register, dated 30 September 2013, has been produced. There is no documentary evidence to show that the PCC has reviewed this version of the risk register.</p> <p>Although the risk register has been updated to record a revised review date, the actual risks and actions had not changed from the earlier version. The Chief Executive advised Audit that whilst the risk registers had not been 'actively' reviewed, the intention was to fully review the register in February 2014 following consideration of the Budget.</p>	Once the full review of the PCC Risk Register has been undertaken in February 2014, a copy of the Risk Register should be signed and dated by the PCC to evidence his involvement in the process. Risk registers should be regularly reviewed, and signed and dated by the PCC accordingly.	Lack of transparency over the PCC's involvement in reviewing risk register / PCC risk register is not accurate.	1	Noted.	Chris Jackson, Chief Executive, PCC	31.3.14
A4784	Audit have been advised that the PCC staff have been made aware of the PCC Risk Management Strategy and risk Register, although no specific risk management training has	Suffolk Constabulary are due to roll out a programme of risk management training from February 2014, and have agreed that PCC staff can also undertake this	Staff may not understand what is required of them regarding the risk management	3	Staff have been notified that there will be forthcoming training. I do not think it is necessary for PCC staff to undertake this training. Those who need	Chris Jackson, Chief Executive, PCC	7.1.14

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Action Ref	Finding	Recommendation	Risk	Priority	Management Comment	Action Owner	Target Date
	been undertaken.	training free of charge. Consideration should be given to PCC staff attending the risk management training session.	process.		to, know about the Risk Register and what is required already from previous experience and training with SPA. The existence of the Risk Register and the new Risk Management Strategy have been drawn to the attention of staff.		

Review of Constabulary's new Joint Risk Management Strategy and Guidance

Action Ref	Finding	Recommendation	Risk	Priority	Management Comment	Action Owner	Target Date
A4782	Audit have been advised that the Joint Risk Management Strategy 2013/15 was agreed by the Joint Chief Officers Team in August 2013, and that the new risk registers came into force in October 2013. However, the new Strategy has not been fully rolled out across Suffolk Constabulary as it is not available on the Suffolk Constabulary intranet, and the previous Risk Management Policy (dated 24.8.12) is the document still available on the Suffolk Constabulary website (Force Procedures - Risk Management.)	The Joint Risk Management Strategy 2013/15 should be formally rolled out across Suffolk Constabulary. All staff should be made aware of, and have access to, the new strategy and supporting guidance, and the website and intranet should be updated with the current Strategy.	Staff are not aware of the correct / most current procedure to follow.	1	We have taken on board your comments and would be grateful for an audit in November 2014 to ensure that we are making best use of the strategy and focussing on the right issues.	Sarah Hamlin – T/ACC (Strategic Change)	November 2014

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Action Ref	Finding	Recommendation	Risk	Priority	Management Comment	Action Owner	Target Date
A4781	<p>Audit reviewed the Joint Risk Management Strategy 2013/15 and supporting guidance (the Joint Risk Management Process Threat Risk 2013/15 and the Joint Risk Management Escalation Process 2013/15). Audit's observations were sent to the Risk Manager on 6 November 2013 for consideration.</p> <p>Some of the considerations raised by Audit were covered by a later document sent to Audit, the 'Draft Joint /Risk Management Framework.' However, this document is only a reference document for the Joint Risk Manager, and not intended for other staff.</p>	<p>The outcome of Audit's review of the Strategy to be taken into account when next reviewing and updating the Strategy.</p> <p>A copy of the review has now also been sent to the T/ACC (Strategic Change) for information purposes.</p>	<p>Staff may not understand what is required of them regarding the risk management process if the Strategy does not have clear / enough information.</p>	3	<p>We have taken on board your comments and would be grateful for an audit in November 2014 to ensure that we are making best use of the strategy and focussing on the right issues.</p>	<p>Sarah Hamlin – T/ACC (Strategic Change)</p>	<p>November 2014</p>

PRIORITY ASSESSMENT

Priority levels (1-3) for implementation of recommendations are included within the detailed results, and may also be highlighted in the executive summary.

This is provided to assist in the planning of implementation of recommendations.

Priority 1 = identified as higher risk - management should be implementing recommendations as soon as possible

Priority 2 = identified as medium risk - recommendations should be considered as important to address

Priority 3 = identified as lower risk - but could be implemented quickly for improvement / benefit

It is the manager's responsibility to ensure that recommendations made within the report are implemented within the timescales specified in the action plan. In deciding whether to accept the recommendations made, consideration should be given to the risk associated with non-implementation and whether this will be accepted.

As a minimum, recommendations that have a priority 1 assessment will be reviewed after the specified implementation date. On occasions, it may also be necessary to include some priority 2 recommendations within this review process if the risks require this.